

Reviewers Checklist
Small Mines

Mine Name Black Sands 47281 Mine Number 5/047/084
Operator/Permittee Black Sands Holding

Instructions: Initial each line item in the regulation when the notice has met the minimum regulatory requirement. This document will remain and be filed with the NOI.

R647-3-104. Operator(s), Surface and Mineral Owner(s).

The notice of intention shall include the following general information:

- ☒ 1. The name, permanent mailing address, and telephone number of the operator responsible for the small mining operation and reclamation of the site.
- ☒ 2. The name, and permanent mailing address of the surface landowner(s) and mineral owner(s) of all land to be affected by the mining operation.
- ☒ 3. The federal mining claim number(s), lease number(s) or permit number(s) of all mining claims, federal or state leases or permits included in the land affected.
- ☒ 4. A statement that the operator will conduct reclamation as required by these rules.

R647-3-105. Project Location and Map.

The notice of intention shall include a location map and an operations map. Each map shall be plotted at a scale to accurately identify locational landmarks and operations details.

- ☒ 1. The general location map shall be a USGS 7.5-minute series map or equivalent (1"=2000') and identify new or existing access roads.
- ☒ 2. The operations map (1"=200' or other scale as determined necessary by the Division) shall identify:
 - ☐ 2.11. The area to be disturbed;
 - ☐ 2.12. The location of any existing or proposed operations including access roads, drill holes, trenches, pits, shafts, cuts, or other planned exploration activities; and
 - ☐ 2.13. Any adjacent previous disturbance for which the operator is not responsible.

R647-3-106. Operation Plan.

The operator shall provide a brief narrative description of the proposed mining operation as part of the notice of intention. The description should include the following information:

- ☒ 1. A statement giving general details of the type or method of mining operations proposed, and the type of minerals to be mined;
- ☒ 2. Estimated width and length of any new roads to be constructed;
- ☒ 3. An estimate of the total number of surface acres to be disturbed by the mining operation.
- ☒ 4. The amount of material (including mineral deposit, topsoil, subsoil, overburden, waste rock, or core hole material) to be extracted, moved, or proposed to be moved, relating to the mining operation.

R647-3-110. Variance Requested

YES ☐ NO ☒

☐ 1. The operator may request a variance from Rule R647-3-107, 108, or 109 by submitting the following information which shall be considered by the Division on a site-specific basis:

- ☐ 1.11. The rule(s) as to where a variance is requested;
- ☐ 1.12. The variance requested and a description of the area that would be affected by the variance;
- ☐ 1.13. Justification for the variance;
- ☐ 1.14. Alternate methods or measures to be utilized.

____ 2. A variance shall be granted if the alternative method or measure proposed will be consistent with the Act.

____ 3. Any variance must be specifically approved by the Division in writing.

* A memo is required granting a variance.

R647-3-111. Surety. (Initial the method of surety calculation and type of surety when approved.)

____ 3. As part of the review of the notice of intention, the Division shall determine the required surety amount based on:

____ 3.11. Site-specific calculations reflecting the Division's or third party cost to reclaim the site;

____ 3.12. The Minerals Regulatory Program's average dollars per acre reclamation costs; or
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____ 3.13. An operator's reclamation estimate, if it is accurate and verifiable.

____ 4. The operator shall submit a completed Reclamation Contract (FORM MR-RC) with the required surety. The Division must approve the form and amount of surety.

The form and amount of the surety must be approved by the Division, except as provided in subpart 4.16. Acceptable forms may include:

____ 4.11. A corporate surety bond from a surety company that is licensed to do business in Utah, that is listed in "A.M. Best's Key Rating Guide" at a rating of A- or better or a Financial Performance Rating (FPR) of 8 or better, according to the "A.M. Best's Guide". All surety companies also will be continuously listed in the current issue of the U.S. Department of the Treasury Circular 570. Operators who do not have a surety bond with a company that meets the standards of subsection 4.11 will have 120 days from the date of Division notification after enactment of the changes to subsection 4.11 to achieve compliance or face enforcement action. When the Division in the course of examining surety bonds, notifies an operator that a surety company guaranteeing its performance does not meet the standards of subsection 4.11., the operator has 120 days after notice from the Division by mail to correct the deficiency, or face enforcement action;

* A memo is required if the Division's standard rates are not used.

____ 4.12. Federally-insured certificate of deposit payable to the State of Utah, Division of Oil, Gas and Mining;

____ 4.13. Cash;

____ 4.14. An irrevocable letter of credit issued by a bank organized to do business in the United States;

____ 4.15. Escrow accounts.

Re BM
Reviewer

4/26/06
Date